



CALIFORNIA STATE PUBLIC WORKS BOARD

ARNOLD SCHWARZENEGGER, GOVERNOR

915 L STREET ■ NINTH FLOOR ■ SACRAMENTO CA ■ 95814-3706 ■ (916) 445-9694

STATE PUBLIC WORKS BOARD

November 5, 2004

MINUTES

PRESENT:

Mr. Bob Campbell, Chief Counsel, Department of Finance
Ms. Cindy McKim, Acting Chief Financial Officer, Department of Transportation
Mr. Barry Hemphill, Deputy Director, Telecommunications Division, Department of General Services
Ms. Cindy Aronberg, Deputy Controller, State Controller's Office
Mr. Francisco Lujano, Director, Securities Management Division, State Treasurer's Office

ADVISORY MEMBER:

Director, Employment Development Department

LEGISLATIVE ADVISORS:

Assembly Member Darrell Steinberg
Assembly Member Wilma Chan
Assembly Member Lloyd E. Levine
Senator Betty Karnette
Senator Wesley Chesbro
Senator Gilbert Cedillo

STAFF PRESENT:

Michael Carter, Assistant Administrative Secretary, State Public Works Board
Rocel Bettencourt, Assistant Administrative Secretary, State Public Works Board
Deborah Cregger, Legal Counsel, State Public Works Board
Kathy Chovan, Legal Counsel, State Public Works Board
Peggy Palmertree, Acting Executive Secretary, State Public Works Board
Sarah Mangum, Budget Analyst, Department of Finance
Brian Dewey, Budget Analyst, Department of Finance
Debbie Dills, Budget Analyst, Department of Finance
Chris Lief, Budget Analyst, Department of Finance
Peter Brown, Budget Analyst, Department of Finance

SPEAKERS PRESENT

Bruce Gibson, Hearst Ranch Conservation NOW
Pat Veasart, Sierra Club
Sam Blakeslee, 33rd Assembly District
Elizabeth Goldstein, California State Parks Foundation
Jeff Stump, American Land Conservancy
Gary Felsman, Hearst Ranch Conservancy
Elizabeth Scott-Graham, Hearst Ranch Conservation NOW

OTHERS PRESENT:

Sabrina Winn, Department of General Services-RES/PSB
Cynthia Spita, Department of Parks and Recreation
Warren Westrup, Department of Parks and Recreation
Rob Kane, Department of Parks and Recreation

CALL TO ORDER AND ROLL CALL:

Mr. Campbell, Chairperson, Chief Counsel, Department of Finance at 10:00 am called the meeting to order. Mr. Michael Carter, Assistant Administrative Secretary for the State Public Works Board called the roll. A quorum was established. It is noted that the State Controller arrived at 10:15.

APPROVAL OF MINUTES

Mr. Carter reported that staff has reviewed the minutes from the September 10, 2004 and October 8, 2004 regular meetings and the October 18, 2004 special meeting and believe them to accurately represent the actions of the Board. There were no contingent actions from the previous meeting and staff recommends.

BOND ISSUES:

Mr. Carter stated that there were two bond items.

Bond Item #1, Department of Education, State Special Schools, California for the Deaf, Pupil Personnel Service Building. If approved, the requested action would adopt a resolution authorizing the use of interim financing and the eventual sale of lease revenue bonds. Staff recommends approval and adoption of the resolution.

A motion was made by Mr. Hemphill and Second by Ms. McKim to approve Bond Item #1.

Bond Item #1 was approved by a 4-0 vote.

Bond Item #2, Department of Food and Agriculture, Truckee Inspection Station, Relocate Truckee Agriculture Inspection Station. If approved the requested action will adopt a resolution authorizing the use of interim financing and the eventual sale of lease revenue bonds. Staff recommends approval and adoption of the resolution.

A motion was made by Ms. McKim and second by Mr. Lujano to approve Bond Item #2.

Bond Item #2 was approved by a 4-0 vote.

CONSENT CALENDAR:

Mr. Carter stated that in summary the Consent Calendar covers Items #3 through #12 and proposes: two requests to recognize a scope change, seven requests to approve preliminary plans, one request to approve acquisition and one request to approve a reversion. It was also stated that Item 4 has been revised to remove Mr. Biggs' parcels from the proposed acquisition.

There were two 20-day letters for these items; **Item #3, Board of Equalization, San Jose District Office**, Update Security for Public Lobby, Santa Clara County—Scope Change. A 20-day letter was sent to the Legislature on October 15, 2004, and no comments have been received.

Item #9, University of California, Berkeley Campus, Alameda County, Doe Library Seismic Corrections, Step 4—Scope Change. A 20-day letter was sent to the Legislature on October 22, 2004, and approval was contingent upon the expiration of the notification period on November 11, 2004, without comment.

Staff recommends approval of the Consent Calendar Items #3 through #12.

A motion was made by Mr. Hemphill and Second by Ms. McKim to adopt the Consent Calendar Items #3 through #12.

The Consent Calendar was adopted by a 3-0 vote.

ACTION ITEMS:

Mr. Carter stated that there were three Action Items, however staff was pulling the following items; **Action Item #13 for the Department of Veterans Affairs** pending additional information concerning federal participation.

Action Item #15 for the Department of General Services, Department of Parks and Recreation as the PWB's previous direction on this item has been satisfied.

Mr. Carter introduced Action Item #14 for the Department of General Services, Department of Parks and Recreation, William Randolph Hearst Memorial State Beach, Hearst Ranch, San Luis Obispo County, DPR Parcel Number 8134, DGS Parcel Number 10257 to authorize the acquisition of real property through the acceptance of a no-cost acquisition. It was also noted that the authority referenced for this item should be revised to reflect only Public Resources Code Section 5005 and that Public Resources Code Sections 37021, 37023, and 37025 are no longer applicable to the proposed acquisition.

Mr. Carter stated that with the Chair's approval, he would recommend that the Department of Parks and Recreation provide the Board and audience with a high level overview of the transaction, followed by the PWB staff analysis, and concluding with testimony by interested parties.

Mr. Campbell asked that the Department of Parks and Recreation representatives state their names and address the audience. Mr. Campbell also asked that the presentation remain at a high level to provide more time for public testimony, and that the Department limit the presentation to 15 minutes.

Mr. Warren Westrup for Department of Parks and Recreation gave a quick overview of the entire Hearst Ranch conservation project which he described as a complex transaction. Mr. Westrup gave descriptions of the various parcels involved in the acquisition, and described the grants from the different organizations that would be used by the Wildlife Conservation Board, State Coastal Conservancy and Department of Transportation. He indicated that Department of Parks and Recreation was asking PWB to approve three elements of the transaction: (1) 832 acres of fee title to Department of Parks and Recreation through a corporation grant deed that does not have any deed restrictions; (2) provide public access easement over these Hearst retained areas: Ragged Point Area, San Simeon Point, Old San Simeon Village and the Pico Cove Point Area; and (3) approve two acres in the vicinity of Visitor Center to enable planning process to locate a facility in such a way that the administrative complex could be enlarged. Mr. Westrup also stated that Steve Horn, Deputy Executive Officer of the State Coastal Conservancy and Mr. Al Wright, Executive Director of the Wildlife Conservation Board were in the audience to help answer any questions.

Mr. Nick Franco for California State Parks gave a brief overview of DPR's plan to operate the proposed property. He stated DPR would need 7 PYs and \$1.3 million for operating costs to ensure public access to the area. He also stated that DPR would issue a Superintendents Order to open the main public access areas. There are four different areas currently in use including Royal Laguna, Elephant Seal Beach, Royal Della Cruz, and San Anforno Beach and, that these are heavily used beaches. He also stated that DPR would look at opening those areas immediately and not assuming that the 7 PYs and the \$1.3 million would be forth coming and would continuing working in partnership with entities who currently assist in overseeing these properties.

Mr. Campbell asked if the 7 PYs and the \$1.3 million was being requested for the 2005-06 budget year.

Mr. Franco stated that they would be working more closely with the Friends of the Elephant Seal to provide adequate protection to the elephant seals and to provide interpretation services to the public about the elephant seal. With the additional staffing and funds, DPR would be able to further develop public access needs and a formal resource management plan.

Mr. Carter stated that regarding the PWB agenda item, the Board is being asked to authorize the acquisition of real property through the acceptance of no-cost acquisition. As mentioned by Department of Parks and Recreation staff, the no-cost acquisition constitutes only a portion of the multiple components, which together encompass the entire 81,177 acre Hearst Ranch Conservation Transaction. The scope of the PWB decision on the no-cost acquisition request will authorize the following:

- The no-cost acquisition of approximately 832 acres of vacant, primarily coastal land along a 13-mile stretch of Highway 1,
- The no-cost acquisition of a 2-acre Visitor Center site located east of Highway 1, and,
- A public access easement to 707 acres of land retained by Hearst Holdings, Inc. at San Simeon Point, Ragged Point, Pico Cove, and Old Simeon Village Conservation Area.

The property will be an addition to the William Randolph Hearst Memorial State Beach and the acquisition of this undeveloped land will provide habitat and viewshed protection as well as access to pristine beaches from Highway 1. In addition, a portion of the area will be incorporated into the California Coastal Trail.

Mr. Campbell stated that numerous staff had been involved in this effort and wished to acknowledge their commitment and that the work is much appreciated.

Mr. Carter acknowledged the work of Kathy Chovan, PWB Counsel, for reviewing the Hearst documents and Brian Dewey, Staff for PWB.

Mr. Carter stated that it is important to note that approval authority for the majority of the Hearst Ranch Conservation Transaction resides with the Wildlife Conservation Board, the State Coastal Conservancy and the California Department of Transportation, which are providing the state funding for the overall transaction. In addition, a no-cost acquisition by Department of Parks and Recreation of approximately 117 acres of Hearst property is planned for future Board consideration.

Department of Parks and Recreation has estimated a need for 7 positions and costs of \$1.3 million (\$200,000 one-time costs) to provide historic public access to the to the property, patrol, resource management and protection, safety, interpretation/education, and maintenance. These resources will be considered in the Governor's Budget process. In addition, Department of Parks and Recreation has developed an interim management plan pending approval of these resources through the budget process.

The magnitude and significance of the Hearst transaction has required a tremendous amount of hard work from staff dedicated to the success of this transaction, however, given the recent revisions and new submittals of the above documents, Public Works Board staff has not had the opportunity to conduct the necessary due diligence reviews for this acquisition. Accordingly, we recommend that no action be taken at his time and that the meeting be adjourned to Wednesday, November 10, 2004 at 1:30 p.m. in Room 113 at the State Capitol. This would allow sufficient time for staff to thoroughly review the key Transaction documents, thereby providing the Board with reasonable assurances that the best interests of the State are achieved.

Mr. Campbell stated that the Board understands that many have expressed concerns with the Staff Analysis to this transaction not being available and distributed in a timely fashion and hopefully this will shed some light on why this occurred. We wish to apologize for this inconvenience and emphasize that any delays we have experienced are not based on concerns but only to ensure that the terms and conditions are appropriate and that proper due diligence has occurred. Before we take action the staff recommendation I would like to receive testimony from the public. To extend this opportunity to as many as possible, I ask that individuals limit their presentations to no more than 2 minutes.

First speaker Mr. Bruce Gibson of Hearst Ranch Conservation NOW stated he was in support of approval of the Hearst project.

Mr. Pat Veesert of Sierra Club had several questions regarding acquisition one being the manner in which the analysis was not made available to the public in a timely manner, how this proposal qualifies as a no-cost acquisition, de facto by exception, why project was moved ahead of other projects and whether the project has been discussed in the Legislature?

Honorable Sam Blakeslee, Member of the Assembly, registered his support of the proposal and the benefits to California citizens and urged the Board to move forward on the project.

Ms. Elizabeth Goldstein of California State Parks Foundation registered the support of her organization of the project and recommended public access maintenance resources.

Mr. Jeff Stump of American Land Conservancy registered the support of the Conservancy for the project.

Mr. Gary Felsman, co-founder of Hearst Ranch Conservation NOW, urged support of the no-cost deal.

Ms. Elizabeth Scott-Graham of Hearst Ranch Conservation NOW stated that if the project wasn't moved forward by the Board, the Hearst Family would do the project without Department of Parks and Recreation and instead use CalTRANS to move forward with the project.

Mr. Campbell brought the public comments to a close.

Mr. Carter stated that for the record the Public Works Board has received a number of correspondences from individuals regarding the Hearst Acquisition and we have provided them in your briefing packets.

OTHER BUSINESS:

Mr. Carter stated there were two items of other business.

Item #16 Approve the 2005 Public Works Board Calendar

A motion was made by Ms. McKim and Second by Mr. Hemphill to approve Action Item #16.

Action Item #16 was approved by a 3-0 vote.

The second item of other business approve the 2004 State Public Works Board Financial Statements: New Prison Construction Revenue Fund; Public Buildings Construction Fund; and High Technology Education Revenue Bond Fund.

A motion was made by Mr. Hemphill and Second by Ms. McKim to approve Action Item #16.

Action Item #16 was approved by a 3-0 vote.

REPORTABLES:

Mr. Carter indicated that there were seven reportable items that Finance staff had approved under the authority delegated by the Board.

NEXT MEETING:

Mr. Campbell indicated that since there was no other business that the Board could move to the consideration issue to adjourn this meeting and reconvene on Wednesday, November 10, 2004 at 1:30 in Room 113 of the State Capitol. Before the action is taken Mr. Campbell stated that the proposed delay of three business days is not for any concerns this Board has with the project itself, but because of the late receipt of some complex and sensitive documents that have been received.

Mr. Carter asked that in the motion the room number for the adjourned meeting be announced and that the notice would be available on the SPWB website.

Mr. Campbell asked that a motion be taken to adjourn the meeting and that the meeting will reconvene on November 10, 2004 at 1:30 pm at the State Capitol in Room 113 and that the information be posted on the website.

A motion was made by Ms. McKim and Second by Mr. Hemphill to adjourn meeting and reconvene on Wednesday, November 10, 2004 at 1:30 at the State Capitol in Room 113.

Adjournment of the meeting approved by a 3-0 vote.

Ms. Aronberg stated that because the Staff Analysis was completed by business hours, it was not enough time frame to look the document over.

Mr. Carter stated that the next regularly scheduled meeting is set for Friday, December 10, 2004, at 10:00 am, at the State Capitol in Room 112.

Having no further business, the meeting was adjourned at 11:00 am and that the adjourned meeting would reconvene on Wednesday, November 10, 2004 at 1:30 at the State in Room 113.

INTENTIONALLY LEFT BLANK

BOND ITEM

BOND ITEM – 1

DEPARTMENT OF EDUCATION, STATE SPECIAL SCHOOLS (6110)
CALIFORNIA SCHOOL FOR THE DEAF,
FREMONT, ALAMEDA COUNTY
Pupil Personnel Service Building

Authority: Chapter 208/04, Item 6110-301-0660 (2)

Adopt a resolution to:

1. Authorize the use of interim financing to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds. the sale of the State Public Works Board Lease Revenue Bonds.
2. Authorize the execution of the Construction Agreement between the Department of General Services and the State Public Works Board, with consent of the Department of Education.
3. Approve the form of and authorize the execution of a Facility Lease between the Department of Education and the State Public Works Board.
4. Approve the form of and authorize the execution of the Site Lease between the Department of Education and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization:

\$3,312,000

APPROVED

4/0

BOND ITEM

STAFF ANALYSIS – 1

Department of Education, State Special Schools,
California School for the Deaf, Fremont
Pupil Personnel Services Building

Action requested

The requested action will adopt a resolution authorizing the use of interim financing and the sale of lease revenue bonds.

Scope Description

This project is within scope. This project will construct a new 8,922 square foot building for Pupil Personnel Services.

Funding and Cost Verification

This project is within cost.

\$3,569,000 total estimated project costs

\$257,000 project costs previously allocated: preliminary plans for \$111,000, working drawings for \$146,000

\$3,312,000 project costs to be allocated: construction for \$3,312,000

CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on October 13, 2000 and the waiting period expired on November 17, 2000.

Due Diligence

Due Diligence work is complete and there are no outstanding issues.

Project Schedule

The project schedule is as follows:

Complete construction: May 2006

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 2

DEPARTMENT OF FOOD AND AGRICULTURE (8570)
TRUCKEE INSPECTION STATION, TRUCKEE, NEVADA COUNTY
Relocate Truckee Agriculture Inspection Station

Authority: Chapter 208/04, Item 8570-301-0042 (1)
Chapter 208/04, Item 8570-301-0660 (1)

Adopt a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Bonds.
2. Approve the form of and authorize the execution and delivery of a Construction Agreement between the Department of General Services and the State Public Works Board.
3. Approve the form of a Transfer Agreement for the Transfer of Jurisdiction of State Owned Real Property and authorize the execution and delivery of a Transfer Agreement between the State Department of Food and Agriculture and the State Public Works Board.
4. Approve the form of and authorize the execution and delivery of a Facility Lease between the State Department of Food and Agriculture and the State Public Works Board.
5. Authorize the use of interim financing, to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds.

TOTAL ESTIMATED PROJECT COSTS:

\$12,824,000.00

APPROVED

4/0

BOND ITEM

STAFF ANALYSIS – 2

Department of Food and Agriculture
Truckee Inspection Station, Truckee, Nevada County
Relocate Truckee Agriculture Inspection Station

Action requested

The requested action will adopt a resolution authorizing interim financing.

Scope Description

This project is within scope. This project constructs a new Agriculture Inspection Station on property near the existing CHP Weigh Station in Truckee. The new station will provide inspection for seven vehicle lanes and three truck lanes. Scope includes one unpaved future vehicle lane. Project consists of 8,375 gross square feet (gsf) inspection structure and a stand-alone 6,480 gsf truck inspection & detention building. Site utilities include water well, septic system, leach field, electrical power, and emergency generator. Site work includes grading, paving, SWPPP, fencing, lighting, signage, frangible cartridge type safety barriers, and demolition of the existing station. In addition, Union Mills Road will be relocated and receive AC pavement. Site acquisition costs have also been included.

Funding and Project Cost Verification

This project is within cost.

\$20,445,000 total estimated project costs

\$1,209,000 project costs previously allocated: acquisition \$439,000, preliminary plans \$237,000 and working drawings \$533,000

\$19,236,000 project costs to be allocated: working drawings \$86,000 and construction \$19,150,000 (\$16,798,000 contract, \$840,000 contingency, \$748,700 A&E services and \$763,300 other project costs)

CEQA/NEPA

A Mitigated Negative Declaration (MND) was approved and a Notice of Determination was filed on 10/12/99. An Addendum to the MND was approved on 9/10/01. A Categorical Exemption was approved by the Federal Highway Administration on 11/06/01 (NEPA).

Project Schedule

The project schedule is as follows:

Complete construction: November 2006

Staff Recommendation: Adopt resolution

CONSENT ITEM

CONSENT ITEM – 3

BOARD OF EQUALIZATION (0860)

SAN JOSE, SANTA CLARA COUNTY

San Jose District Office, Update Security for Public Lobby

Authority: Chapter 157/03, Item 0860-301-0001(1)

a. Approve Scope Change

APPROVED

3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 3

Board of Equalization
San Jose District Office
Update the Security for Public Lobby

Action Requested

This action will approve a scope change to cancel this project.

Scope Description

This project is not within scope. Due to the expiration of available funding, this project cannot be completed. The approved scope of this project consisted of the removal of existing modular wall panels, two doors and three cashier windows in the reception area and the construction of bullet resistant walls and installation of bullet resistant doors and pass-through windows on the cashier stations, as well as establishing a temporary cashier's station to operate during construction.

Funding and Cost Verification

This project is within cost. This project is still within the originally approved cost, however the availability of the funding required to complete this project has expired. This project was budgeted as a Major Capital Outlay project; therefore, the department was required to follow the Public Works Board (Board) approval process. The department failed to request Board approval of Preliminary Plans for this project in a timely manner. As a result, the remaining funding for this project expired at the end of fiscal year 2003-04 and is no longer available to complete the project. The preliminary plans for this project have been completed, but were not approved by the Board. A 20-day letter was sent to the Legislature on October 15, 2004, the waiting period expired on November 4, 2004.

\$168,000 total estimated project costs

\$20,000 project costs previously allocated: preliminary plans (\$20,000)

\$148,000 project costs reverted on June 30, 2004: working drawings (\$20,000);
construction (\$128,000)

Project Schedule

No additional work will be completed on this project.

Staff Recommendation: Approve scope change to cancel this project consistent with the expiration of the project funding.

CONSENT ITEMS

CONSENT ITEM — 4

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
TOMO-KAHNI STATE HISTORIC PARK, BARKER AND BIGGS, KERN COUNTY
DPR Parcel Numbers A42101, & A42103, DGS Parcel Number 10233 & 10268

Authority: Chapter 379/02, Item 3790-301-6029(6)

a. **Authorize acquisition**

APPROVED
3/0

CONSENT ITEMS

STAFF ANALYSIS ITEM — 4

Department of General Services
Department of Parks and Recreation
Tomo-Kahni State Historic Park, Barker

Action requested

The requested action will authorize acquisition consistent with the staff analysis.

Scope Description

This project is within scope. The Legislature has approved funding from Proposition 40: California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund for new acquisitions for the State Park System without specifying particular parcels. This request will authorize acquisition of fee simple interest of 80 acres as an addition to the Tomo-Kahni State Historic Park.

The proposed acquisition includes a complete range of features and artifacts representing a Kawaiisu village, a Native American people who called this area home between 500 and 2,000 years ago. Archaeological features include: well-defined house rings, food grinding areas and polychrome pictographs within sacred caves. The successful completion of this acquisition will preserve an important prehistoric to protohistoric habitation site for all future generations and will help meet the Department of Parks and Recreation's (DPR) program objective to preserve and protect the State's rich and diverse cultural heritage.

Funding and Cost Verification

This project is within cost. Chapter 379/02, Item 3790-301-6029(6) provides funding for this acquisition in fee simple interest and associated overhead for the real property. The property can be acquired with the remaining funds and in accordance with Legislative intent.

\$129,000 total project costs

\$3,000 project costs previously allocated (DGS staff costs)

\$126,000 project costs to be allocated: \$120,000 acquisition and approximately \$6,000 in overhead costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on June 9, 2004, and the waiting period expired on July 14, 2004.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is December of 2004.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to property for the expansion of the Tomo-Kahni State Historic Park on March 17, 2004. The acquisition consists of one parcel (Barker property) of undeveloped land comprising approximately 80 acres near Tehachapi, Kern County, California.

A Phase 1 Environmental Site Assessment (ESA) report was not available for this property and is not deemed necessary given the physical setting of the parcel. No additional potential problems with hazardous materials, e.g., ground and/or vegetation staining were observed during the ESS visit and the property is compatible with the proposed future use.

Other:

- The project was approved for site selection by the State Public Works Board on August 13, 2004.
- The purchase price does not exceed estimated fair market value as determined by a DGS approved appraisal.
- Mineral rights have been reserved on the property by prior deeds, however, a review of the records of the Department of Conservation and the California Geological Survey indicate no exploration or extraction of minerals in the area.
- DPR is not aware of any lawsuits pending concerning the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
- The property is vacant and unimproved.
- There is no relocation assistance involved with this project.
- There is no implied dedication applicable to this property.
- The proposed acquisition will consolidate DPR's control of access, provide a buffer against private use for existing State Park lands, and allow patrol by DPR's Rangers to better protect the resources. DPR will provide very limited authorized public access to the property that will only require visual patrols by existing staff; therefore, DPR estimates minimal ongoing support costs for the maintenance and operation of this property.

Staff Recommendation: Authorize acquisition

CONSENT ITEM

CONSENT ITEM — 5

UNIVERSITY OF CALIFORNIA (6440)
SANTA BARBARA CAMPUS, SANTA BARBARA COUNTY
Education and Social Sciences Building

Authority: Chapter 157/03, Item 6440-301-6028 (26)
Chapter 208/04, Item 6440-301-6041 (17)

- a. **Approve preliminary plans**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS — 5

University of California, Santa Barbara
Education and Social Sciences Building

Action requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The Education and Social Sciences Building project, as amended, will house the Gevirtz Graduate School of Education and selected departments of the College of Letters and Science including spaces to support the instruction, research and public service objectives of the academic programs. The project includes the Center for Film, Television and New Media that will provide for a film theater, production suite and support spaces in a separate structure.

Funding and Project Cost Verification

This project is within cost.

\$70,770,000 total estimated project costs

\$2,285,000 project costs previously allocated: preliminary plans—\$1,747,000 (State funds), \$538,000 (campus funds);

\$68,485,000 project costs to be allocated: working drawings—\$2,369,000 (State funds), \$738,000 (campus funds); construction—\$49,706,000 (State funds), \$13,022,000 (campus funds); equipment—\$2,432,000 (State Funds), (campus funds) \$218,000

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Due Diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

The project schedule is as follows:

Approve working drawings:	March 2005
Complete construction:	July 2007

Staff Recommendation: Approve preliminary plans

CONSENT ITEM

CONSENT ITEM — 6

UNIVERSITY OF CALIFORNIA (6440)

DAVIS CAMPUS, YOLO COUNTY

Robert Mondavi Institute for Wine and Food Science

Authority: Chapter 379/02, Item 6440-301-6028 (2)
Chapter 157/03, Item 6440-301-6028 (4)
Chapter 208/04, Item 6440-301-6041 (2)

a. Approve preliminary plans

APPROVED

3/0

CONSENT ITEM

STAFF ANALYSIS — 6

University of California, Davis
Robert Mondavi Institute for Wine and Food Science

Action requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The Robert Mondavi Institute for Wine and Food Science project will house the Department of Viticulture and Enology and the Department of Food Science and Technology, providing space to serve their teaching, research, and outreach activities. The project will include teaching and research laboratories, a shared sensory laboratory, administrative space, and faculty offices.

Funding and Project Cost Verification

This project is within cost.

\$61,435,000 total estimated project costs

\$2,700,000 project costs previously allocated: preliminary plans—\$900,000 (State funds), \$900,000 (campus funds), \$900,000 (gift funds)

\$58,735,000 project costs to be allocated: working drawings—\$600,000 (State funds), \$900,000 (campus funds), \$900,000 (gift funds); construction—\$32,135,000 (State funds), \$18,200,000 (gift funds), \$6,000,000 (campus funds, if needed at bid)

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Due Diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

The project schedule is as follows:

Approve working drawings: February 2005

Complete construction: January 2008

Staff Recommendation: Approve preliminary plans

CONSENT ITEM

CONSENT ITEM — 7

UNIVERSITY OF CALIFORNIA (6440)
DAVIS CAMPUS, YOLO COUNTY
Seismic Corrections, Phase 4

Authority: Chapter 157/03, Item 6440-301-6028 (5)
Chapter 208/04, Item 6440-301-6041 (3)

a. Approve preliminary plans

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS — 7

University of California, Davis
Seismic Corrections, Phase 4

Action requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The Seismic Corrections, Phase 4 project will correct seismic deficiencies in seven campus buildings that represent serious life-safety hazards. The buildings are: Academic Surge Building, Architects and Engineers Barn, Bainer Hall, Briggs Hall, Room 194 Chemistry Building, Telecommunications Building, and Veterinary Medicine Unit 2. The lateral load-resisting system of each building will be upgraded, connections will be reinforced, and new shear walls and concrete footings will be added where required to improve seismic performance.

Funding and Project Cost Verification

This project is within cost.

\$7,288,000 total estimated project costs

\$286,000 project costs previously allocated: preliminary plans—\$286,000 (State funds)

\$7,002,000 project costs to be allocated: working drawings—\$288,000 (State funds),
construction—\$6,714,000 (State funds)

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Due Diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

The project schedule is as follows:

Approve working drawings: May 2005

Complete construction: October 2006

Staff Recommendation: Approve preliminary plans

CONSENT ITEM

CONSENT ITEM — 8

UNIVERSITY OF CALIFORNIA (6440)
LOS ANGELES CAMPUS, LOS ANGELES COUNTY
Geology Seismic Correction

Authority: Chapter 157/03, Item 6440-301-6028 (8)
Chapter 208/04, Item 6440-301-6041 (4)

a. **Approve preliminary plans**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS — 8

University of California, Los Angeles
Geology Seismic Correction

Action requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The Geology Seismic Correction project will correct seismic deficiencies in three buildings in the Geology-Young Hall Complex that represent serious life-safety hazards. They are the Geology Building, the Chemistry and Geology Building, and Geophysics (Geology Addition). Structural work will include the installation of shear walls, fiber wrapping of some structural columns, anchoring and bracing of building elements, and strengthening of foundations. The scope of work includes upgrades to fire/life safety systems, accessibility improvements, and abatement of hazardous materials.

Funding and Project Cost Verification

This project is within cost.

\$10,467,000 total estimated project costs

\$521,000 project costs previously allocated: preliminary plans—\$521,000 (State funds)

\$9,946,000 project costs to be allocated: working drawings—\$457,000 (State funds),
construction—\$9,489,000 (State funds)

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Due Diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

The project schedule is as follows:

Approve working drawings: October 2004

Complete construction: August 2006

Staff Recommendation: Approve preliminary plans

CONSENT ITEM

CONSENT ITEM — 9

UNIVERSITY OF CALIFORNIA (6440)
BERKELEY CAMPUS, ALAMEDA COUNTY
Doe Library Seismic Corrections, Step 4

Authority: Chapter 157/03, Item 6440-302-6028 (1)

a. **Approve reversion** **\$15,810,000**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS — 9

University of California, Berkeley
Doe Library Seismic Corrections, Step 4

Action requested

The requested action will approve a reversion for this project.

Funding and Project Cost Verification

The project, as approved, would correct seismic life-safety deficiencies in a part of the Doe Library complex, removing existing mezzanine stack floors and adding new shear walls and related foundations. The structural work would result in serious demolition and disruption of the building systems and interior of the facility. Working in partnership with the State, the campus had planned a separate campus-funded project to replace the building systems and to renovate the interior, modernizing the building to effectively support the valuable special collections functions of this important library resource. During design of the campus-funded project, the costs were found to substantially exceed the resources available to the campus in the current financial context. It is not feasible to complete the seismic corrections project as planned. Therefore the following reversion is proposed. A 20-day legislative notification letter was processed on October 22, 2004, without comment.

\$16,920,000 total authorized project costs

\$16,920,000 total estimated project costs

\$1,100,000 project costs previously allocated: preliminary plans \$1,100,000 (State funds)

\$15,810,000 requested reversion

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Due Diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

The project schedule is as follows:

Complete construction: N/A

Staff Recommendation: Approve reversion.

CONSENT ITEM

CONSENT ITEM — 10

UNIVERSITY OF CALIFORNIA (6440)
SANTA CRUZ CAMPUS, SANTA CRUZ COUNTY
McHenry Project

Authority: Chapter 157/03, Item 6440-301-6028 (22)
Chapter 208/04, Item 6440-301-6041 (20)

a. Approve preliminary plans

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS – 10

University of California, Santa Cruz
McHenry Project

Action requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The McHenry Project combines the construction of an 85,055 assignable square foot (asf) addition to the existing McHenry Library with seismic corrections, ADA and other mandatory life-safety codes improvements to the existing building, and programmatic renovations in the existing space to provide instruction and research space to accommodate growth in campus enrollment.

Funding and Project Cost Verification

This project is within cost.

\$79,206,000 total estimated project costs

\$3,602,000 project costs previously allocated: preliminary plans—\$3,602,000 (State funds)

\$75,604,000 project costs to be allocated: working drawings—\$3,130,000 (State funds),
construction—\$70,629,000 (State funds), equipment—\$1,845,000 (state funds)

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Due Diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

The project schedule is as follows:

Phase 1

Approve working drawings: July 2005

Complete construction: October 2007

Phase 2

Approve working drawings: June 2007

Complete construction: May 2009

Staff Recommendation: Approve preliminary plans

CONSENT ITEM

CONSENT ITEM – 11

CALIFORNIA COMMUNITY COLLEGES (6870)
LOS RIOS COMMUNITY COLLEGE DISTRICT
COSUMNES RIVER COLLEGE, SACRAMENTO COUNTY
Science Building Modernization

Authority: Chapter 208/04, Item 6870-301-6041 (29), C

- a. **Approve preliminary plans**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 11

Los Rios Community College District
Cosumnes College, Sacramento County
Science Building Modernization

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The authorized scope remodels 18,806 assignable square feet (asf) of the science building. The space reconfiguration results in a slight asf increase to 18,998 asf, consisting of the following asf: 2,132 lecture, 14,187 laboratory, 2,210 office, and 661 library/study. The building systems will be updated and replaced with energy efficient systems.

Funding and Project Cost Verification

The project is within cost.

\$5,404,000 total authorized project costs

\$5,404,000 total estimated project costs

\$2,516,000 state project costs to be allocated: construction \$2,516,000 (\$2,000,000 contracts; \$248,000 contingency; \$268,000 construction management, administration, testing and inspection) at CCI 4100

\$242,000 local project costs previously allocated: preliminary plans \$242,000

\$2,646,000 local project costs to be allocated: working drawings \$157,000; construction \$1,540,000 (\$1,540,000 contracts) at CCI 4100 and equipment \$949,000 at EPI 2564

CEQA

A Categorical Exemption was filed with the State Clearinghouse (#2004098362) on September 23, 2004 and the response period has expired.

Due Diligence

Community college districts are local entities and the State does not have title to their real property, hence districts acknowledge that they have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule

The project schedule is as follows:

Complete working drawings: January 2005

Award contract: March 2006

Complete construction: December 2006

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 12

CALIFORNIA COMMUNITY COLLEGES (6870)
MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
MT. SAN ANTONIO COLLEGE, LOS ANGELES COUNTY
Remodel Classroom Buildings

Authority: Chapter 157/03, Item 6870-301-6028 (48), PWCE

- a. **Approve preliminary plans**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 12

Mt. San Antonio Community College District
Mt. San Antonio College, Los Angeles County
Remodel Classroom Buildings

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The authorized scope remodels 119,078 asf in Buildings #7, #11, and #26. The space includes 63,487 asf lecture, 38,675 asf laboratory, 13,875 asf office, and 3,041 asf other space. The project space of 123,260 asf identified in the approved Final Project Proposal has been reduced by approximately 4,182 asf (-3.3 percent) due to mechanical and electrical spaces erroneously included in the space array as usable asf and the reconfiguration of corridors because a planned reduction in width from 9 feet to 6 feet was not feasible due to structural and functional impacts.

Funding and Project Cost Verification

The project is within cost.

\$17,964,000 total authorized project costs

\$17,964,000 total estimated project costs

\$357,000 state project costs previously allocated: preliminary plans \$357,000

\$8,625,000 state project costs to be allocated: working drawings \$334,000; construction \$7,257,000 (\$6,439,000 contracts; \$450,000 contingency; \$368,000 construction management, administration, testing and inspection) at CCI 4019 and equipment \$1,034,000 at EPI 2564

\$357,000 local project costs previously allocated: preliminary plans \$357,000

\$8,625,000 local project costs to be allocated: working drawings \$334,000; construction \$7,257,000 (\$6,438,000 contracts; \$451,000 contingency; \$368,000 construction management, administration, testing and inspection) at CCI 4019 and equipment \$1,034,000 at EPI 2564

CEQA

A Notice of Determination was filed with the State Clearinghouse (#2002041161) on December 19, 2002 and the response period has expired.

Due Diligence

Community college districts are local entities and the State does not have title to their real property, hence districts acknowledge that they have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule

The project schedule is as follows:

Complete working drawings: April 2005

Award contract: December 2005

Complete construction: December 2006

Staff Recommendation: Approve preliminary plans.

ACTION ITEM

ACTION ITEM — 13

DEPARTMENT OF VETERANS AFFAIRS (8955)
LOS ANGELES AND VENTURA COUNTY
Greater Los Angeles and Ventura County Veterans Homes

Authority: Chapter 216/02

a. **Approve project scope and cost** **\$222,586,000**

PULLED.

ACTION ITEM

STAFF ANALYSIS ITEM — 13

Department of Veterans Affairs, Greater Los Angeles and Ventura County Homes

Action Requested

The action requested will revise the project scope and cost.

Scope Description

This project constructs approximately 520 beds in three new veterans homes offering various levels of care for the Greater Los Angeles and Ventura Counties (GLAVC). The largest of the three homes will house approximately 400 beds in 344,000 gross square feet on approximately 12 acres of the U.S. Department of Veterans Affairs site in West Los Angeles. The two smaller homes in Lancaster and Saticoy will each house a maximum 60 beds in approximately 46,000 gross square feet on each site and also contain a maximum 50 person adult daycare facility. The Lancaster site is approximately 22 acres and the Saticoy site is approximately 20 acres. This project includes the construction of a 34,000 gross square feet central kitchen on approximately 1.5 acres on the West Los Angeles site to serve all three sites as well as the USDVA GLAHS hospital in West Los Angeles and satellites in the Los Angeles area. Site improvements including access roads, surface parking and landscaping are included for each site.

Funding and Project Cost Verification

\$222,586,000 total estimated project cost

\$5,925,000 project costs previously allocated

\$216,661,000 project costs to be allocated: preliminary plans \$6,800,000; working drawings \$10,211,000; construction \$199,650,000

\$6,800,000 proposed funding necessary

CEQA

The project will require compliance with CEQA.

Project Schedule

The project schedule is as follows:

Preliminary plans approved:	January 2006 (projected)
Working drawings approved:	December 2006 (projected)
Complete construction:	
Lancaster	October 2008 (projected)
Saticoy	October 2008 (projected)
Kitchen West LA	December 2008 (projected)
West LA	February 2010 (projected)

Other

The project is funded through three sources: General Obligation Bonds, Lease-Revenue Bonds, and Federal Grant Funds. The Federal Veterans State Home Construction Grant Program funds approximately 60 percent of the total project costs for the three homes.

Staff Recommendation: Approve project scope and cost.

ACTION ITEM

ACTION ITEM – 14

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
WILLIAM RANDOLPH HEARST MEMORIAL STATE BEACH, HEARST RANCH
SAN LUIS OBISPO COUNTY
DPR Parcel Number 8134, DGS Parcel Number 10257

Authority: Public Resources Codes 5005, 37021, 37023, 37025

- a. **Authorize acquisition of real property through the acceptance of a no cost acquisition**

HELD Over for Adjourned Meeting.

ACTION ITEMS

STAFF ANALYSIS ITEM — 14

Department of General Services
Department of Parks and Recreation
William Randolph Hearst Memorial State Beach, Hearst Ranch

Action requested

The requested action will authorize the acquisition of real property through the acceptance of a no-cost acquisition.

Scope Description

This project is within scope. This request will authorize the no-cost acquisition of approximately 832 acres of vacant, primarily coastal land along a thirteen-mile stretch of Highway 1. The request will also authorize the no-cost acquisition of a 2-acre Visitor Center site located east of Highway 1 and public access easements to 707 acres of land retained by Hearst Holdings, Inc. (Hearst) at San Simeon Point, Ragged Point, Pico Cove, and Old San Simeon Village Conservation Area. The property will be an addition to William Randolph Hearst Memorial State Beach. The acquisition of this undeveloped land will provide habitat and viewshed protection as well as access to pristine beaches from Highway 1. A portion of the area will be incorporated into the California Coastal Trail.

This project represents only a portion of the multiple components comprising the larger Hearst Ranch Conservation Transaction, which encompasses approximately 81,177 acres. The approval authority for the majority of the Hearst Ranch Conservation Transaction resides with the Wildlife Conservation Board (WCB), the State Coastal Conservancy (SCC) and the California Department of Transportation (Caltrans), which are providing the state funding for the overall transaction. An additional no-cost acquisition by DPR of approximately 117 acres of Hearst property is planned for future Board consideration.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on October 8, 2004, and the waiting period will expire on November 12, 2004.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is December 2004.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the properties being acquired in fee title at the Hearst Ranch on September 23, 2004. The DPR acquisition consists of approximately 954 acres of undeveloped land consisting of 832 acres of coastline west of Highway 1, 117 acres of the Junge Ranch west of Highway 1, and approximately 5 acres (Visitor Center Expansion Envelope area) east of Highway 1 adjacent to the Visitor Center/Administrative Complex for the Hearst San Simeon State Historical Monument. The subject properties are located on either side of Highway 1, north of San Simeon, San Luis Obispo County, California.

A Phase I Environmental Site Assessment (ESA) report prepared by Robison Engineering Company September 11, 2003, was reviewed by ESS staff and found to be in accordance with American Society for Testing and Materials (ASTM) standards. No evidence of recognized environmental conditions in connection with the property was identified in the ESA report.

The site visit revealed no improvements, e.g., industrial uses, fuel storage, waste disposal, etc., on the property that would raise a concern for migration of hazardous materials. No potential problems with hazardous materials, e.g., ground and/or vegetation staining were observed during the ESS site visit and the property is compatible with the proposed future use.

Other:

DPR No-Cost Acquisitions

- 832 acres of this no-cost acquisition to be acquired in fee are located on the west side of Highway 1 and will be subject to a scenic conservation easement to be held by Caltrans. The conservation easement will serve to protect the scenic viewshed, as observed from Highway 1, and therefore the property will be largely retained in its existing condition.
- Limited public access to 707 acres of Hearst retained lands at San Simeon Point, Ragged Point, Pico Cove, and Old San Simeon Village Conservation Area will also be acquired by DPR as part of this no-cost acquisition.
- 2 acres of this no-cost acquisition to be acquired in fee is located on the east side of Highway 1 and will be conveyed to be used solely and perpetually for the expansion of the DPR's administration facilities adjacent to the Hearst Castle Visitors Center. Hearst will irrevocably offer to dedicate by grant deed to DPR up to 2 acres of an identified Expansion Envelope area comprised of approximately 5 acres. No public access will be allowed on this acreage. This site will not be encumbered by the East Side conservation easement (see discussion below), although Hearst will have the power to terminate the State's interest in the property if the State breaches any covenants or restrictions contained in the Corporation Gift Deed for this parcel.
- DPR has not proposed a Property Acquisition Agreement (PAA) to formalize the agreement with Hearst regarding the gift of fee title of 832 acres. A Corporation Gift Deed, along with

written instructions to the escrow company, is intended to be the only documents used for this transfer. Normally, a PAA is utilized for the purchase of real property and sometimes used for the acceptance of gifts of real property, to formalize the parties' intentions and to provide protection for the State in the form of grantor representations and warranties, indemnification and agreement as to governing law. In this case, the State is acquiring this property from the long-term owner and has little reason to believe, based on knowledge regarding the history of the site and on the ESS review, that any significant physical or legal issues exist on the property that would adversely impact DPR's intended use. In particular, the property is currently vacant and unimproved and DPR is not aware of any pending lawsuits, relocation assistance or implied dedication rights that would be applicable to this property.

- DPR has estimated the need for 7 positions and ongoing costs of \$1.3 million to provide historic public access to the property, patrol, resource management and protection, safety, interpretation/education, and maintenance. This includes one-time costs of \$200,000 for equipment and immediate public use facilities. Staff understands that DPR will be requesting funding for the above support costs through the normal budget change process. However, DPR has developed an interim management plan that will enable the Department to utilize existing resources to provide for a certain level of resource protection and public safety until such time that additional resources are available.
- DPR should present the Department's interim management plan to the Board and explain how this plan will be implemented using existing resources.

Hearst Ranch Conservation Transaction

- As noted above, this no-cost acquisition constitutes only a portion of the multiple components, which together encompasses the entire 81,177 acre Hearst Ranch Conservation Transaction. However, it is understood that the consummation of the overall Transaction as currently structured is dependent upon approval of each of the components by both the State and Hearst. That is, the State and Hearst must reach agreement on all of the components of the Transaction or else none of the components, including this no-cost acquisition, will proceed.

- The overall Transaction is generally described as follows:

1) West Side Conservation Transaction (West Side)—Includes approximately 1,656 acres west of Highway 1 involving a combination of fee transfers and conservation easements. Components of the West Side include 949 acres (832 acres included in this acquisition and 117 acres included in the subsequent Junge Ranch acquisition) to be transferred in fee to DPR and subject to a scenic conservation easement to be held by Caltrans; 613 acres retained in fee by Hearst subject to a public access easement (included in this acquisition) to be held by DPR and a scenic conservation easement to be held by Caltrans; and 94 acres in the San Simeon Village Conservation Area subject to a public access easement to be acquired by DPR (included in this acquisition) and a separate conservation easement limiting use and development to be held by the American Land Conservancy (ALC);

2) East Side Conservation Easement (East Side)—Includes approximately 79,500 acres east of Highway 1 to be protected by perpetual conservation easements. As part of the overall conservation transaction for the Hearst Ranch, the East Side easement will be purchased for a total cost of \$80 million plus \$15 million in tax credits via an option agreement between the Hearst Corporation and the ALC. Through a Grant Agreement between the WCB and the ALC, the State of California will have on-going rights to ensure that the easements are enforced and the public investment is protected. ALC will acquire the East Side easement and transfer it at closing to the California Rangeland Trust (CRT), an agricultural land trust;

3) Realignment Area – Includes approximately 518 acres that will be offered for dedication to the Department of Transportation (DOT) to accommodate future Highway 1 realignment projects and to allow the area under the highway to be abandoned as part of the realignment effort and to be used for future public access (this portion of the overall transaction is not included in this acquisition).

- Proposed sources of funding for the entire Hearst Ranch Conservation Transaction will come from California voter-approved bond funds (Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 – Proposition 50) administered through the WCB and the SCC, Federal Transportation Enhancement funds controlled by the State, and State tax credits through the National Heritage Preservation Tax Credit program.
- Tentative agreements have been reached between the major State parties (WCB, SCC, DPR, Caltrans), the Hearst Corporation, and the interested non-profits (ALC and CRT). The California Transportation Commission approved Caltrans' funding for the Transaction, and WCB and SCC have each taken actions to approve funding contingent upon resolution of various issues.
- In particular, the WCB's approval is contingent upon the adoption of viewshed protection standards for buildings; adoption of management practices for range and agricultural operations within the East Side Conservation Easement Area; approval of a Baseline Conditions Report, and approval of a Monitoring Protocol within the East Side Conservation Easement, including standards for determining when Conservation Values have been "impaired." The SCC's approval of funding is contingent upon the resolution of WCB's concerns and upon obtaining increased restrictions on the ability of the holder of the East Side Conservation Easement (i.e., CRT or another non-profit) to assign, amend or terminate the Easement. In addition, SCC's funding approval is contingent upon reaching agreement with Hearst and Caltrans on increased public access opportunities on West Side properties and on obtaining authority for DPR to install necessary parking, restrooms and trash/recycling facilities on the State-owned property west of Highway 1.
- The parties intend to finalize the overall Transaction documents by the end of this calendar year. As a result, the actions by several of the relevant state boards, including WCB and SCC, were taken prior to, but contingent upon, the resolution of future issues and finalization of the Transaction documents.
- The following key Transaction documents are necessary for the PWB to accept this no-cost acquisition:
 1. Corporation Gift Deed for 832-acre parcel.
 2. Agreement and Irrevocable Offer to Dedicate by Gift (Expansion Envelope) for 5 acres associated with Visitor's Center.
 3. Corporation Gift Deed for 2 acres associated with Visitor's Center.
 4. Deed of Public Access Conservation Easement and Agreement Concerning Public Access Easement Rights (for 707 acres).
 5. Deed of Scenic Conservation Easement and Agreement Concerning Easement Rights (Pico Cove, Ragged Point, San Simeon Point, and Old San Simeon Village).
 6. Deed of Scenic Conservation Easement and Agreement Concerning Easement Rights (West Side Public Ownership Area).

7. Expiration of the CEQA Notice of Exemption waiting period without challenge.

Staff Recommendation: **Given the recent revisions and new submittals of the above documents, PWB staff has not had the opportunity to conduct the necessary due diligence reviews for this acquisition. Accordingly, we recommend that no action be taken at this time and that the meeting be adjourned to Wednesday November 10, 2004, to allow sufficient time for staff to thoroughly review the key Transaction documents thereby providing the Board with reasonable assurances that the best interests of the State are achieved.**

INTENTIONALLY LEFT BLANK

ACTION ITEM

ACTION ITEM — 15

DEPARTMENT OF GENERAL SERVICES (1760)

DEPARTMENT OF PARKS AND RECREATION (3790)

PRAIRIE CITY STATE VEHICULAR RECREATION AREA, YOST ACQUISITION

DPR Parcel Number A46001, DGS Parcel Number 10228,

Authority: Chapter 106/01, Item 3790-301-0263 (5)
Chapter 379/02, Item 3790-301-0263 (3)
Chapter 379/02, Item 3790-301-0263 (5)
Chapter 157/03, Item 3790-301-0263 (3)

- a. **Correction and conformation to a prior contingent Board action for acquisition**

PULLED

ACTION ITEMS

STAFF ANALYSIS ITEM — 15

Department of General Services
Department of Parks and Recreation
Prairie City State Vehicular Recreation Area, Yost Acquisition

OTHER BUSINESS

OTHER ITEM – 16

1. **Approve the 2005 State Public Works Board Calendar.**

APPROVED

3/0

2. **Approve the 2004 State Public Works Board Financial Statements.**
 - a. **New Prison Construction Revenue Fund**
 - b. **Public Buildings Construction Fund**
 - c. **High Technology Education Revenue Bond Fund**

APPROVED

3/0

REPORTABLES

To be presented at meeting.

Respectfully Submitted
By:

KAREN FINN
Administrative Secretary